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TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

November 16, 2011

TO: Internal File

THRU: Daron Haddock, Coal Program Supervisor *DH*

FROM: Ingrid Campbell, Lead *IC*

RE: Midterm Permit Review, PacifiCorp, Cottonwood/Wilberg Mine, Permit # C/015/0019 and Task ID #3940

SUMMARY:

On October 20, 2011 the Division notified Energy West of the commencement of the midterm permit review for the Cottonwood/Wilberg Mine. The following items were chosen for review:

- A. Review of the Plan to ensure that the requirements of all permit condition, division orders, notice of violation (NOV), abatement plans, and permittee-initiated Plan changes approved subsequent to permit approval or renewal (whichever is the most recent) are appropriately incorporated into the Plan document.
- B. Ensure that the Plan has been updated to reflect changes in the Utah Coal Regulatory Program which have occurred subsequent to permit approval or renewal.
- C. Review applicable portions of the permit to ensure that the Plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
- D. Evaluate the compliance status of the permit to ensure that all unabated enforcement actions comport with current regulations for abatement; verify the status of all finalized penalties levied subsequent to permit issuance or permit renewal, and verify that there are no demonstrated patterns of violation (POV). This will include an AVS check to ensure that Ownership and Control information is current and correct.

E. Evaluate the reclamation bond to ensure that coverage adequately addresses permit changes approved subsequent to permit approval or renewal, and to ensure that the bond amount is appropriately escalated in current-year dollars.

F. Evaluate the permit for compliance with variances or special permit conditions.

G. Optional for active mines, mandatory for reclamation only sites: conduct a technical site visit in conjunction with the assigned compliance inspector to document the status and effectiveness for operational, reclamation, and contemporaneous reclamation practices undertaken on predetermined portions of the disturbed area to minimize, to the extent practicable, the contribution of acid or toxic materials to surface or groundwater, and to otherwise prevent water pollution.

The Midterm Permit Review is recommended for approval. The Division will issue a revised permit with corrected mine permit boundary information.

TECHNICAL ANALYSIS:

GENERAL CONTENTS

VIOLATION INFORMATION

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

Analysis:

Violation information is located in Appendix D of the General Chapter 1 binder. The NOV list includes the most recent violation to a Energy West mine (Deer Creek Mine NOV # 06-39-1-1 in 2006).

Findings:

The information in the Mining and Reclamation Plan is considered adequate to meet the minimum regulatory requirements for this section.

RIGHT OF ENTRY

Regulatory Reference: 30 CFR 778.15; R645-301-114

Analysis:

Right of Entry information is located on page 1-10 of the General Chapter 1 binder, on page iii of Volume 1 in the MRP and in Appendix C of the General Chapter 1 binder. The Cottonwood/Wilberg mine was idled in 2001.

The MRP contains a description of the documents upon which the applicant bases their legal right to enter and begin coal mining and reclamation operations in the permit area in Appendix C of the General Chapter 1 binder in accordance with R645-301-114.100.

Findings:

The information in the Mining and Reclamation Plan is considered adequate to meet the minimum regulatory requirements for this section.

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PERMIT TERM

Regulatory References: 30 CFR 778.17; R645-301-116.

Analysis:

The permit for the Cottonwood/Wilberg mine was last renewed and issued on July 6, 2009. The permit expires on July 6, 2014. The current permit description in the permit differs from the description in the General Chapter 1 volume, Appendix G. The disturbed acreages differ by 17.13 acres. A new permit will be issued by the Division with the correct permit area description.

Findings:

The information in the Mining and Reclamation Plan is considered adequate to meet the minimum regulatory requirements for this section. However, the Division will issue a revised permit to the permittee with the correct permit area description.

INSURANCE, PROOF OF PUBLICATION

Regulatory References: 30 CFR 778.21; 30 CFR 773.13; R645-300-120; R645-301-117.200.

Analysis:

The certificate of liability insurance is located in Appendix E of the General Chapter 1 volume. The liability insurance, issued by Associated Electric and Gas Insurance Services expired on August 28, 2007. The Division received a copy of the current certificate of liability insurance on August 22, 2011 (see C0150019 2011 incoming document 08222011.pdf). The current insurance is provided by Aon Risk Services Central, Inc and expires on August 28, 2012.

Findings

The information in the current Mining and Reclamation Plan is considered adequate to meet the minimum regulatory requirements for this section.

ENVIRONMENTAL RESOURCE INFORMATION

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR 783., et. al.

GENERAL

Regulatory Reference: 30 CFR 783.12; R645-301-411, -301-521, -301-721.

Analysis:

The mine has been idled since 2001. No outstanding commitments or tasks are pending while the mine is in cessation. Some areas of the permit area are currently reclaimed and in the ten year liability period. The Permittee submits vegetation monitoring reports in the annual report and in bond release applications.

Findings:

The information in the current Mining and Reclamation Plan is considered adequate to meet the minimum regulatory requirements for this section.

RECOMMENDATIONS:

The Midterm Permit Review is recommended for approval. The Division will issue a revised permit with corrected mine permit boundary information.